

An Impressive 2005 for NJ Tourism

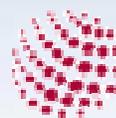


The Tourism Satellite Account Perspective

July 25, 2006



NJ TOURISM
ONE INDUSTRY. MANY BENEFITS.



GLOBAL INSIGHT

Kenneth McGill

Executive Managing Director
Travel & Tourism Consulting
ken.mcgill@globalinsight.com

Global Insight

- Premier economic analysis & forecasting, global intelligence, and consulting organization
- Most comprehensive coverage of countries, regions, and industries available from any single source
- Common analytical framework and a consistent set of assumptions
- Broad range of capabilities include:
 - Tourism Market Analysis
 - Feasibility & Risk Assessment
 - Destination Analysis & Impact
 - Demographic Analysis
 - Performance Benchmarking
 - Strategic & Tactical Planning Tools
- Global Insight has the best track record among all commercial forecasters.

Tourism Satellite Accounting

- The **Tourism Satellite Account** is the international (UN/WTO, OECD) standard for measuring the contribution of tourism to an economy
- The tourism 'industry' is not measured in standard economic accounting systems.
- 'Industry' is a *supply-side* concept: the focus is on what is being produced.
- But 'Tourism' is a *demand-side* concept: the focus is on who's buying products - the visitor.
- Tourism affects parts of many industries

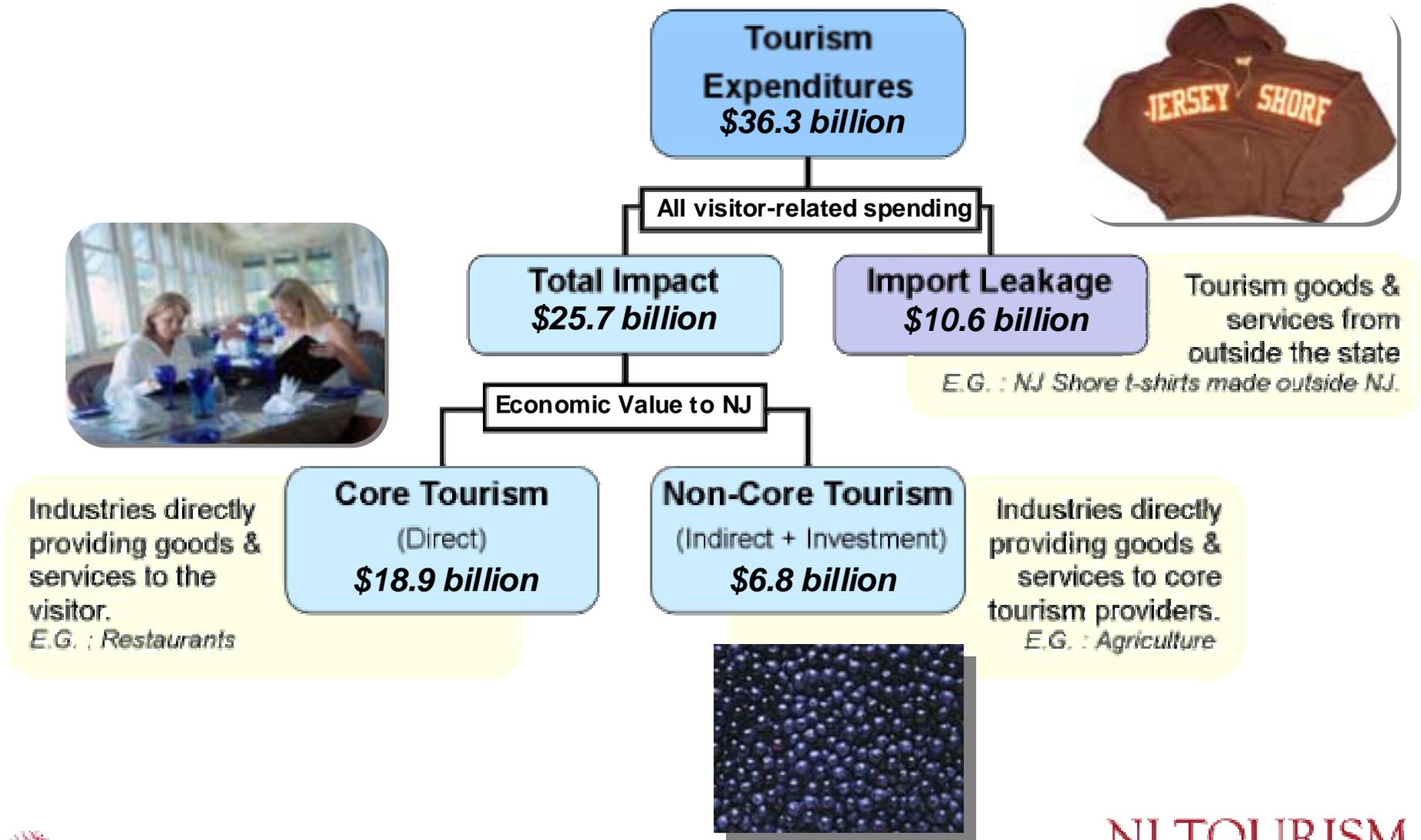
Benefits of a TSA

- **Compares government support** of the tourism sector **with government revenue** generated by tourism.
- Allows policy-makers to compare the **size & growth of tourism** to other industrial sectors.
- Enables analysts to **assess long-term health** of the tourism sector via capital investment and government support.
- Provides an accepted international standard for **benchmarking**.
- Quantifies how **other industry sectors benefit** from tourism.



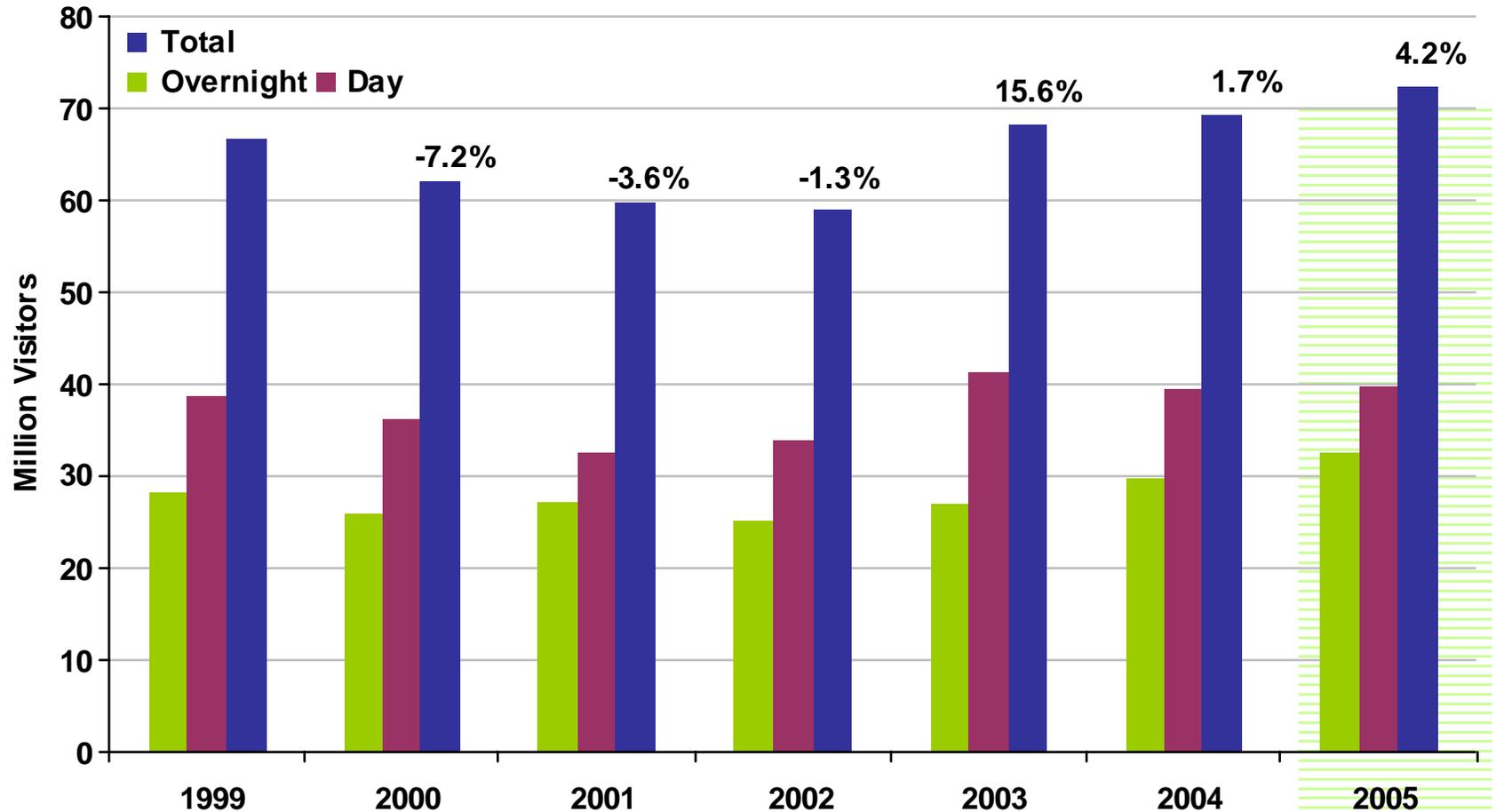
2005 New Jersey Tourism: An Impressive Year

Industry Structure: Definitions



Visitors to New Jersey*

Overnight visitors grew 8.9% in 2005 vs. 0.7% growth of day visitors.



* Visitation statistics provided by DK Shifflet & Associates, Ltd



New Jersey Person-Stays (Visitors) Volume: % Change by Travel Segment



FY05p/FY04

Total	3.3%
Business	7.0%
Leisure	2.5%
Day	-1.8%
Night	10.2%
Day Leisure	-2.5%
Night Leisure	8.7%

Leisure Direct Spending 15.6%

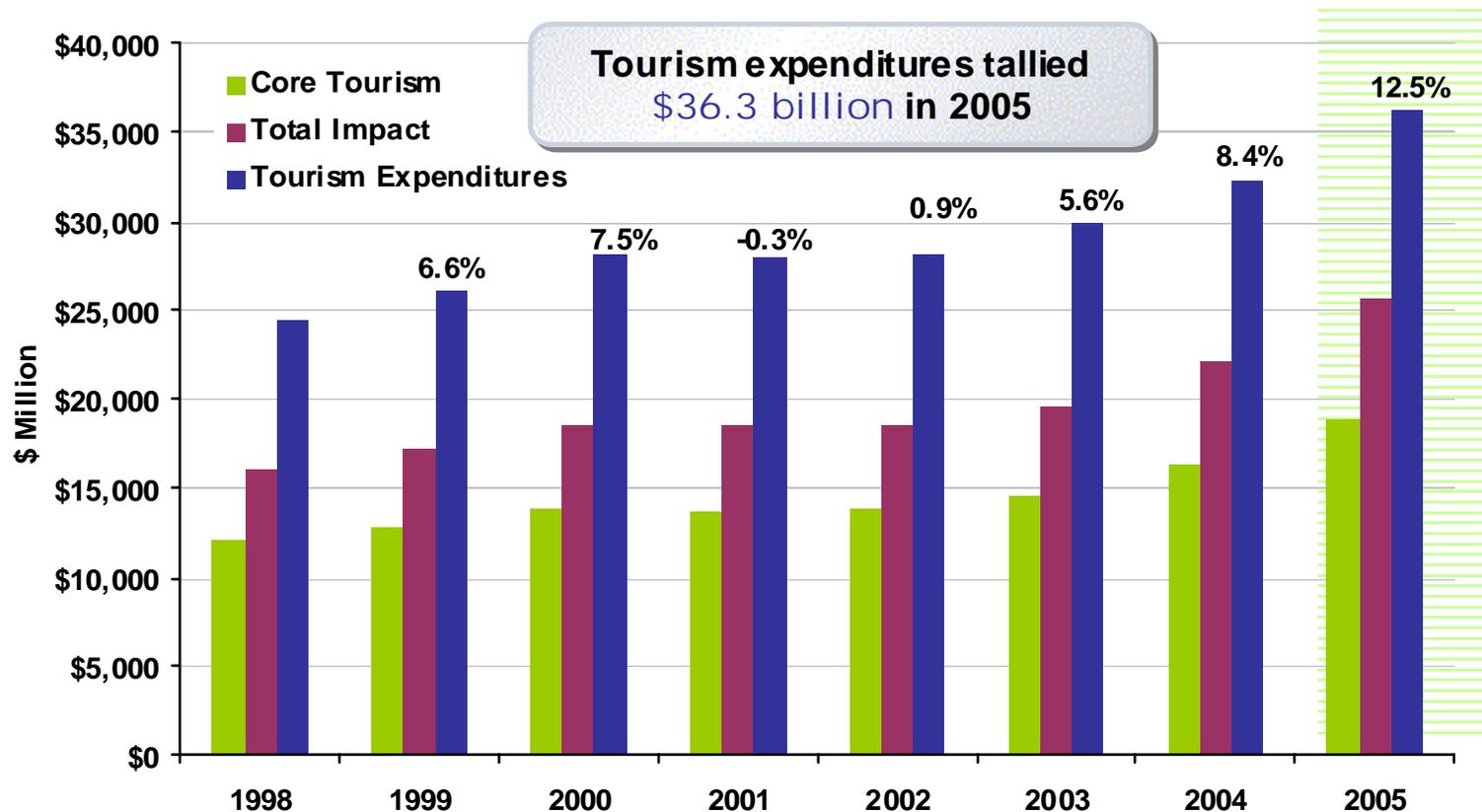
Note: Growth rates are calculated as Q404-Q305 /
Q403-Q304

In 2005, the typical NJ Visitor was:

- a leisure traveler (81%)
- a couple (45%) with 0.3 children (2.31)
- made more than \$75,000 (53%)
- was about 40-55 years of age (43% boomers)
- carrying a small suitcase (2.53 nights)
- from NJ, NY or PA (70%)
- arrived by car (72% < 200 miles)
- here for a getaway weekend (34%)
- hungry and looking for entertainment...by the water (38%, 34%, 28%)
- on a budget of about \$105/day

Total Tourism Expenditures

- NJ visitation grew 4.2%
 - Overnight visitation: + 9%
- Spending per visit rose by a whopping 10.5%
- Greater Atlantic City visitation rose by 16%
- Business travel increased by 8.7%
- Inflation rose by 3.5%



An Impressive Year for NJ Tourism



2005 Bottom Line:

Measurement	2005	2004	%	Perspective
Economic Value <ul style="list-style-type: none"> ▪ Core Tourism ▪ Total Impact 	\$18.9 B \$25.7 B	\$16.4 B \$ 22.0 B	15.2% 17.0%	<ul style="list-style-type: none"> • <i>NJ Tourism is larger than the entire GDP of 134 countries.</i> • <i>Outstanding growth! '05 NJ Total GSP growth = 5.3%</i>
Wages & Salaries <ul style="list-style-type: none"> ▪ Core Tourism ▪ Total Impact 	\$10.9 B \$15.2 B	\$9.4 B \$12.8 B	16.2% 18.4%	<ul style="list-style-type: none"> • <i>NJ Avg. Annual Tourism Wages are now \$32,194.</i> • <i>This is 3.5 times faster than total NJ wage growth.</i>
Employment ('000) <ul style="list-style-type: none"> ▪ Core Tourism ▪ Total Impact 	390.5 472.3	359.0 430.2	8.8% 9.8%	<ul style="list-style-type: none"> • <i>1 out of every 9 NJ workers owes his/her job to tourism.</i> • <i>Tourism was NJ's fastest growing sector</i>
Taxes –Total Impact	\$7.1 B	\$6.6 B	8.4%	<ul style="list-style-type: none"> • <i>Tourism saved each NJ household \$1,236 in taxes in 2005</i>

Numbers may differ due to rounding

2005 NJ Tourism Scorecard:

Measurement	2005	2004	%	Perspective
NJ Visitation	72,240	69,300	4.2%	• <i>Most visits since 1993</i>
NJ Tourism Impact (Core)	\$18.9 B	\$16.4 B	15.2%	• <i>Tourism spending grew 3 times faster than total NJ GSP</i>
NJ Tourism Jobs ('000)				• <i>Tourism was NJ's fastest growing industry in '05</i>
▪ Core Tourism	390.5	358.9	8.8%	
▪ Total Impact	472.3	430.2	9.8%	
NJ Tourism Wages				• <i>Avg. Annual Wage increased to \$32,200/year</i>
▪ Core Tourism	\$10.9 B	\$9.4 B	16.2%	
▪ Total Impact	\$15.2 B	\$12.8 B	18.4%	
NJ Tourism Industry Rank (\$)	9th	9th		• <i>Next year Tourism will pass Info Tech and move into 8th place</i>
Tourism Location Quotient	2.3			• <i>NJ is 2.3 times more concentrated in tourism than the US in total</i>
Tourism as a % of NJ GSP	5.9%	5.3%		• <i>Tourism grew its share of the State's total economy in '05</i>
NJ % of US Tourism				• <i>NJ Tourism grew faster than US tourism in total</i>
▪ Jobs	5.8%	5.3%		
▪ Expenditure	2.4%	2.2%		

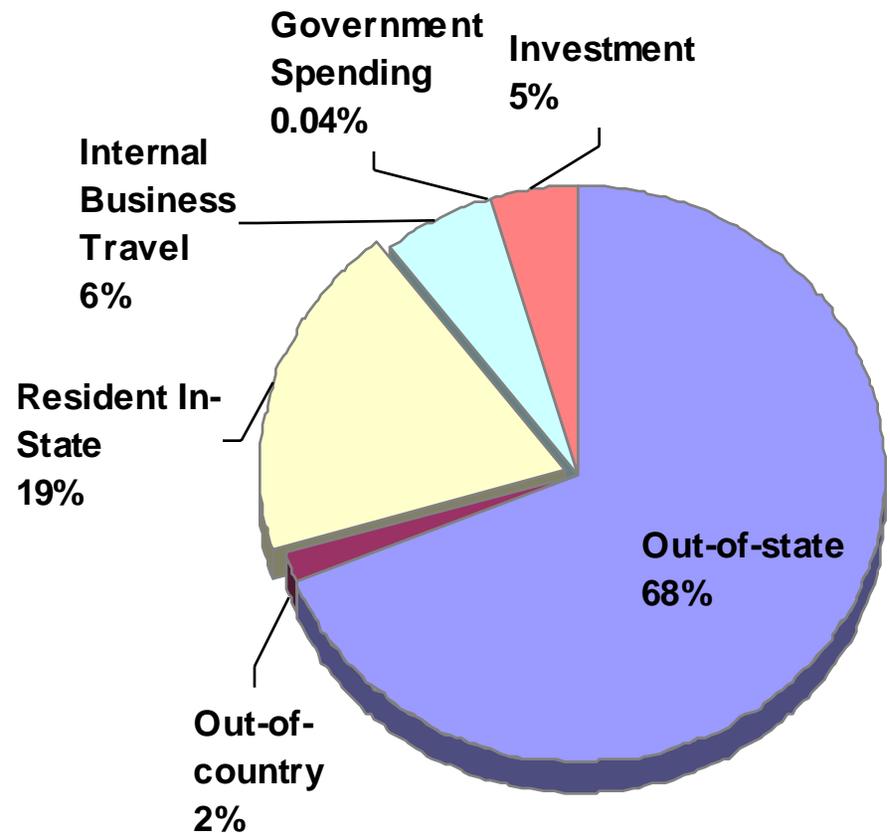
Breaking Down Tourism Expenditures

- **Resident In-State** – In-state travel expenditures of New Jersey residents
- **In-state Business Travel** –New Jersey businesses' spending within the state economy on travel
- **Government Spending** –New Jersey Tourism Office Budget, transportation functions related to tourism, publicly funded attractions and funding for security in tourism-intensive areas
- **Investment** – Construction of hotels, attractions, tourism infrastructure, operating and transportation equipment
- **Domestic Out-of-State** – Spending of all visitors to New Jersey coming from other parts of the country (Key Category)
- **International** – Spending of international visitors to New Jersey

Breaking Down Tourism Expenditures – \$36.3 Billion

Visitors from other states represent the largest portion of tourism expenditures in New Jersey. Residents' travel in the state is also important with 19% of the total.

	Millions \$\$	Share
In State	10,726	30%
Other U.S.	25,018	68%
International	545	2%
Total	\$36,288	100%

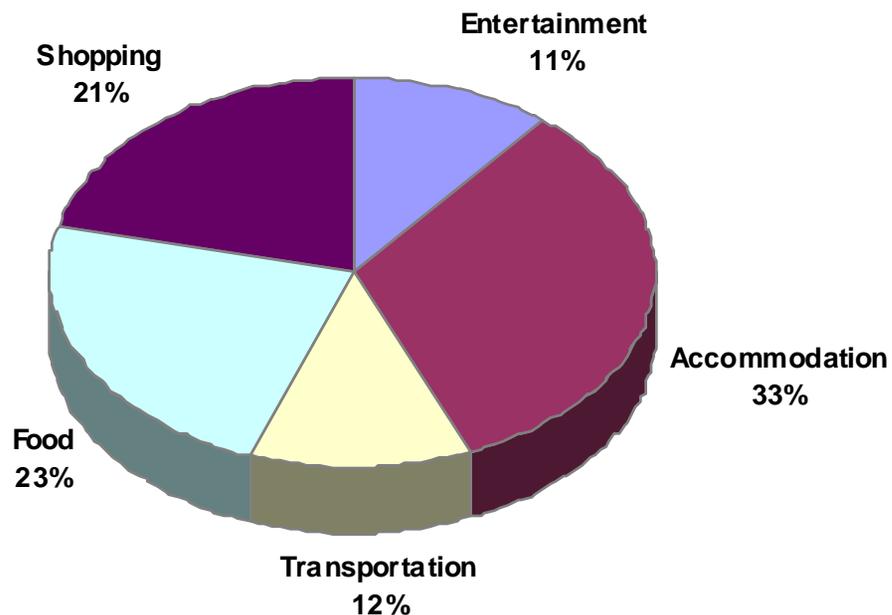


Industry Distribution of Expenditures

Accommodation accounts for the largest share of tourism expenditure. Combined with food and shopping, these components represent nearly 80% of visitor expenditures.

	Millions \$\$	2004-2005 Growth
Entertainment	3,703	8.4%
Accommodation	11,350	7.1%
Transportation	4,186	4.2%
Food	8,006	13.7%
Shopping	7,338	18.7%
Total *	\$34,585	10.7%

* Direct and Indirect Tourism Expenditures (w/o construction & investment)



Core Tourism

- Answers the question “How does tourism compare with other industries?”
- Core Tourism measures the size of the industry directly providing goods & services to the visitor.
- Therefore, all indirect effects are excluded – these are part of other supplier industries such as wholesalers. The impact of capital investment is also excluded.
- Core Tourism generated \$18.9 billion in economic value in 2005. This ranks core tourism as the 9th largest private industry in NJ in terms of gross state product.

Core Tourism – Gross State Product

Core Tourism contributed \$18.9 billion in economic value in 2005. Tourism ranked as the 9th largest private industry in the state.

Rank	Industry	Millions \$	'04-'05 Growth	% of State
1	Real Estate and Rental and Leasing	70,474	7.3%	17.9%
2	Finance and Insurance	38,057	8.4%	9.6%
3	Professional, Scientific, & Technical Services	35,216	4.6%	8.9%
4	Wholesale Trade	34,468	3.6%	8.7%
5	Non-Durables Manufacturing	32,246	2.1%	8.2%
6	Health Care and Social Assistance	30,225	6.4%	7.7%
7	Retail Trade	28,207	3.9%	7.1%
8	Information	20,148	5.9%	5.1%
9	Construction	18,508	4.2%	4.7%
10	Durables Manufacturing	14,191	3.0%	3.6%
11	Administrative and Waste Services	13,523	6.3%	3.4%
12	Transportation and Warehousing	13,258	5.2%	3.4%
13	Accommodation and Food Services	10,449	4.4%	2.6%
14	Management of Companies and Enterprises	9,235	3.9%	2.3%
15	Other Services	8,913	5.4%	2.3%
	Other Industries	17,581	4.0%	4.5%
	Total	394,699	5.3%	100.0%
	Government	43,458	5.8%	
	Travel & Tourism	18,902	15.2%	4.8%

Travel & Tourism has 4.8% of New Jersey's GSP

Core Tourism Impact – Composition

The TSA model measures how spending of visitors touches diverse sectors to create the aggregate Core Tourism.

Composition of Core Tourism				
Rank	Industry	\$ Value (Millions)	'04-'05 Growth	% of Total
1	Hotels and motels- including casino hotels	7,080	16.7%	37.5%
2	Food services and drinking places	3,820	19.0%	20.2%
3	Real estate	2,142	4.7%	11.3%
4	Other amusement- gambling- and recreation industries	1,943	11.7%	10.3%
5	Air transportation	688	18.7%	3.6%
6	Food and beverage stores	611	25.8%	3.2%
7	Automotive equipment rental and leasing	574	1.5%	3.0%
8	Travel arrangement and reservation services	572	10.9%	3.0%
9	Clothing and clothing accessories stores	545	25.8%	2.9%
10	General merchandise stores	289	25.8%	1.5%
11	Sporting goods- hobby- book and music stores	163	25.7%	0.9%
12	Performing arts companies	106	13.0%	0.6%
13	Miscellaneous store retailers	101	25.9%	0.5%
14	Water transportation	84	12.8%	0.4%
15	Gasoline stations	64	25.8%	0.3%
	Other Industries	120	16.2%	0.6%
Total		18,902	15.2%	100%

Core Tourism – Employment

- Core Tourism is the 3rd largest private sector employer in the state with **390,536 direct full-time equivalency jobs** in 2005.
- Core Tourism generated **9.6% of non-farm state employment** in 2005.
- Core Tourism jobs provided **\$10.9 billion in wages & salaries** in 2005.
- Core Tourism generated approximately **\$473 million in payroll taxes in 2005** (state and federal).
- Core Tourism's **average annual wage** has grown to **\$32,200/year**.

Core Tourism Impact – Employment

Travel & tourism is NJ's *3rd largest private sector employer.*

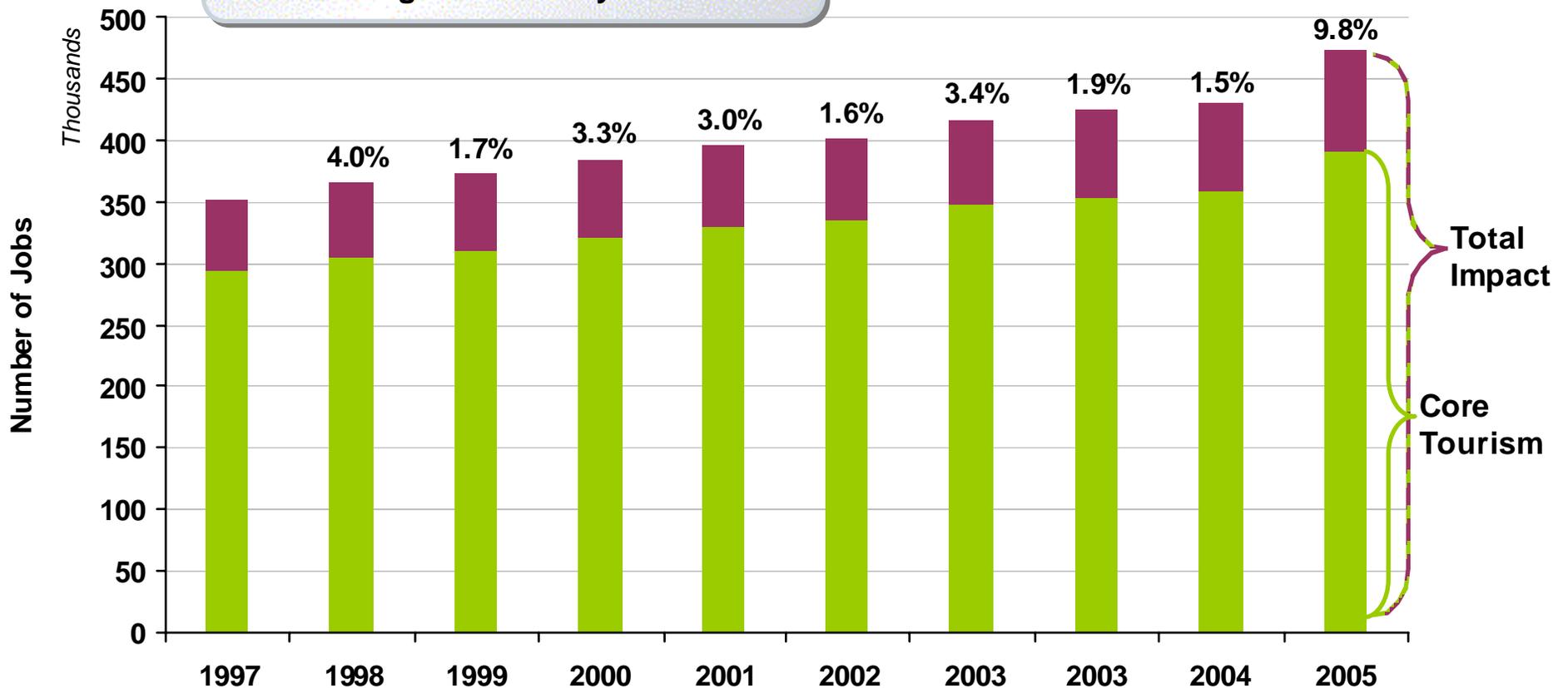
Rank	Industry	Employment (Thousands)	2004-2005 Growth	% of State	LQ Index
1	Retail Trade	479.9	2.6%	11.8%	1.0
2	Health Care and Social Assistance	474.3	2.8%	11.7%	1.1
3	Accommodation and Food Services	286.4	3.3%	7.1%	0.9
4	Administrative and Waste Services	266.0	2.8%	6.6%	1.1
5	Professional, Scientific, & Technical Services	256.9	-0.7%	6.3%	1.2
6	Wholesale Trade	235.8	1.8%	5.8%	1.4
7	Finance and Insurance	221.9	1.2%	5.5%	1.2
8	Manufacturing, Nondurables	183.3	-2.5%	4.5%	1.1
9	Construction	166.8	0.5%	4.1%	0.8
10	Transportation and Warehousing	159.5	-0.9%	3.9%	1.2
11	Other Services	159.3	3.1%	3.9%	1.0
12	Manufacturing, Durables	145.9	-3.4%	3.6%	0.5
13	Information	96.1	-2.5%	2.4%	1.0
14	Educational Services	86.1	1.0%	2.1%	1.0
15	Management of Companies and Enterprises	63.7	-2.1%	1.6%	1.2
	Other Industries	191.4	2.3%	4.7%	0.8
	State & Local Government	579.1	1.3%	14.3%	1.0
	Total Nonfarm	4,052.4	1.2%	100%	1.0
	Travel & Tourism	390.5	8.8%	9.6%	2.3

Core Tourism represented 390,536 jobs in 2005.

Tourism's contribution to NJ employment is **2.3 times** that of the US in total

Total Tourism grew 9.8% in 2005

Core Tourism jobs comprise 83% of total tourism-generated employment and have grown steadily over time.



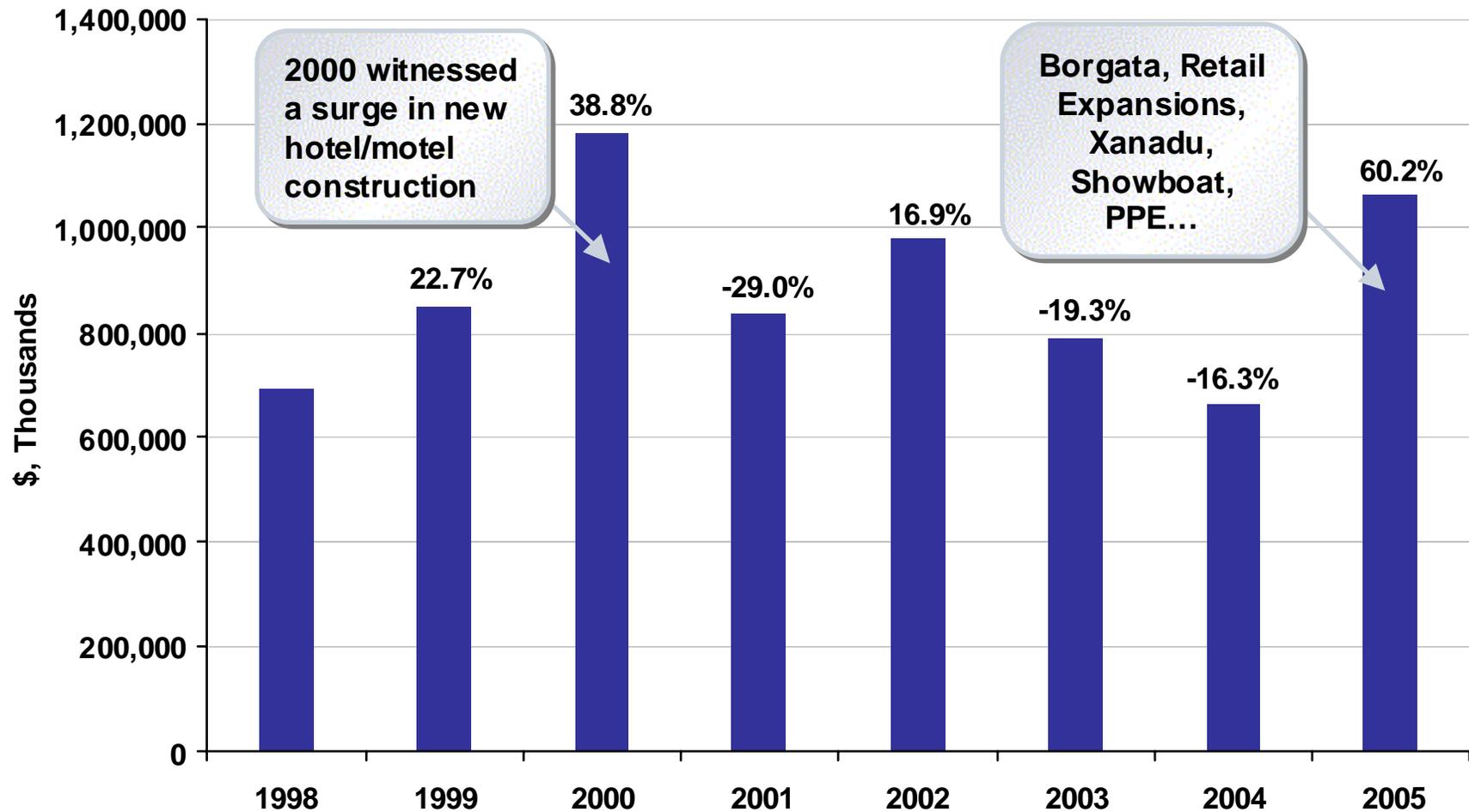
Non-Core Tourism – Indirect Benefits

Many industries not thought of as “tourism” but that supply goods and services to the tourism industry are beneficiaries of tourism.

Indirect Benefits of Tourism				
Rank	Industry	\$ Value (Millions)	'04-'05 Growth	% of Total
1	Real estate	712	15.0%	9.3%
2	Wholesale trade	549	20.1%	7.2%
3	Power generation and supply	295	15.6%	3.9%
4	Management of companies and enterprises	272	24.6%	3.6%
5	Lessors of nonfinancial intangible assets	220	14.6%	2.9%
6	Other State and local government enterprises	187	16.6%	2.5%
7	Maintenance and repair of nonresidential buildings	154	11.8%	2.0%
8	Employment services	149	15.8%	2.0%
9	Telecommunications	138	13.9%	1.8%
10	Advertising and related services	137	17.2%	1.8%
11	Architectural and engineering services	137	27.2%	1.8%
12	Legal services	135	16.8%	1.8%
13	Nondepository credit intermediation	128	13.4%	1.7%
14	Travel arrangement and reservation services	119	16.0%	1.6%
15	Scenic and sightseeing transportation and support	111	15.4%	1.5%
	Other Industries	2,481	17.6%	32.5%
	Investment	1,703	68.6%	22.3%
	Total	7,628	25.8%	100%

Non-Core Tourism – Construction Benefits

The Construction sector is also a significant beneficiary of tourism.



Tourism Generated \$7.1bn in Federal, State and Local Tax Revenue in 2005

- **Tourism activity generated \$4.0bn in state and local government revenue in 2005, an 8.0% increase over 2004.**
- **In 2005, \$2.1 billion in state tax revenue was generated by the travel & tourism sector in New Jersey. Indirect business tax (sales tax) and personal income tax are the two largest contributors.**
- **Tourism contributes disproportionately to state revenue. While tourism is responsible for 5.9% of NJ GSP, it contributed 7.6% of state government revenue in 2005.**
- **Tourism saves each New Jersey household \$1,236 in state and local taxes.**

State and Local Government Revenue

Tax Revenues from Tourism	2005 (Million)	'04-'05 Growth
Federal Government		
Corporate Income	923.7	7.5%
Personal Income	125.1	9.9%
Social Security & Other Taxes	2,065.0	10.0%
Federal Total	3,113.8	9.2%
State Government		
Corporate Profits Tax	90.9	6.8%
Personal Income	348.2	9.9%
Sales (excluding Hotel & Entertainment)	789.6	7.8%
Licenses & Fees	36.6	-22.0%
Other Taxes	423.6	9.5%
Hotel Sales Tax	169.5	9.9%
Entertainment Sales Tax	83.6	8.4%
Casino Room Fee	14.5	-8.5%
Casino Comp Tax	26.4	-11.0%
Occupancy Tax	86.1	9.9%
State Total	2,069.1	7.6%
Local Government		
Local Hotel Taxes	25.5	9.9%
Property Taxes	1,891.1	8.2%
Other Taxes	11.9	71.0%
Local Total	1,928.5	8.4%
Total	7,111.4	8.4%

Regional Distribution of Tourism

New Jersey is divided into six regions in the analysis:

● Skylands

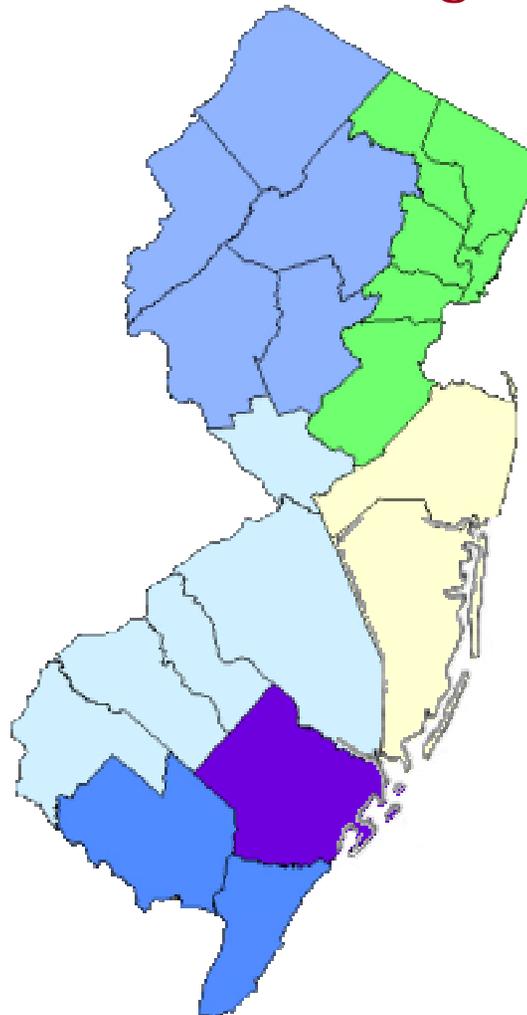
- Sussex • Somerset
- Warren • Morris
- Hunterdon

● Gateway

- Passaic • Hudson
- Bergen • Union
- Essex • Middlesex

● Delaware River

- Mercer • Gloucester
- Camden • Salem
- Burlington



● Shore

- Monmouth
- Ocean

● Greater Atlantic City

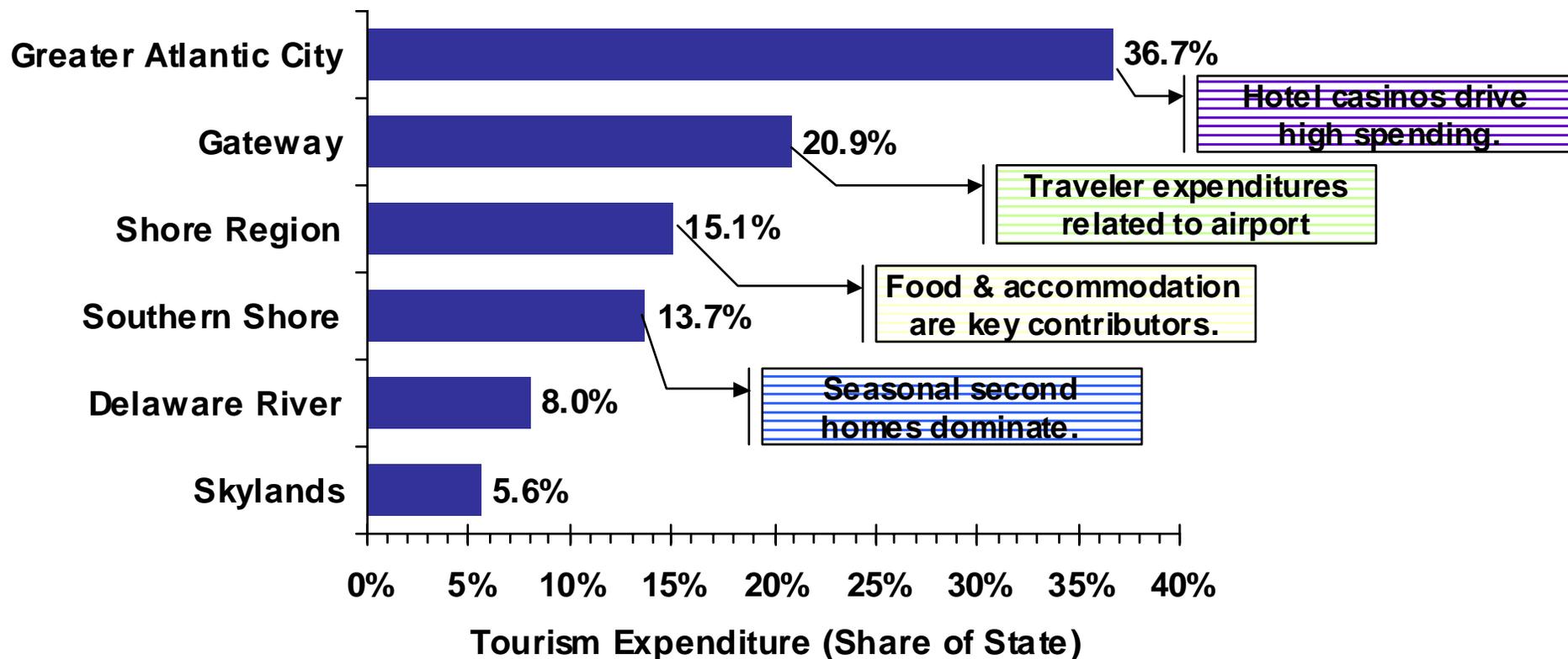
- Atlantic County

● Southern Shore

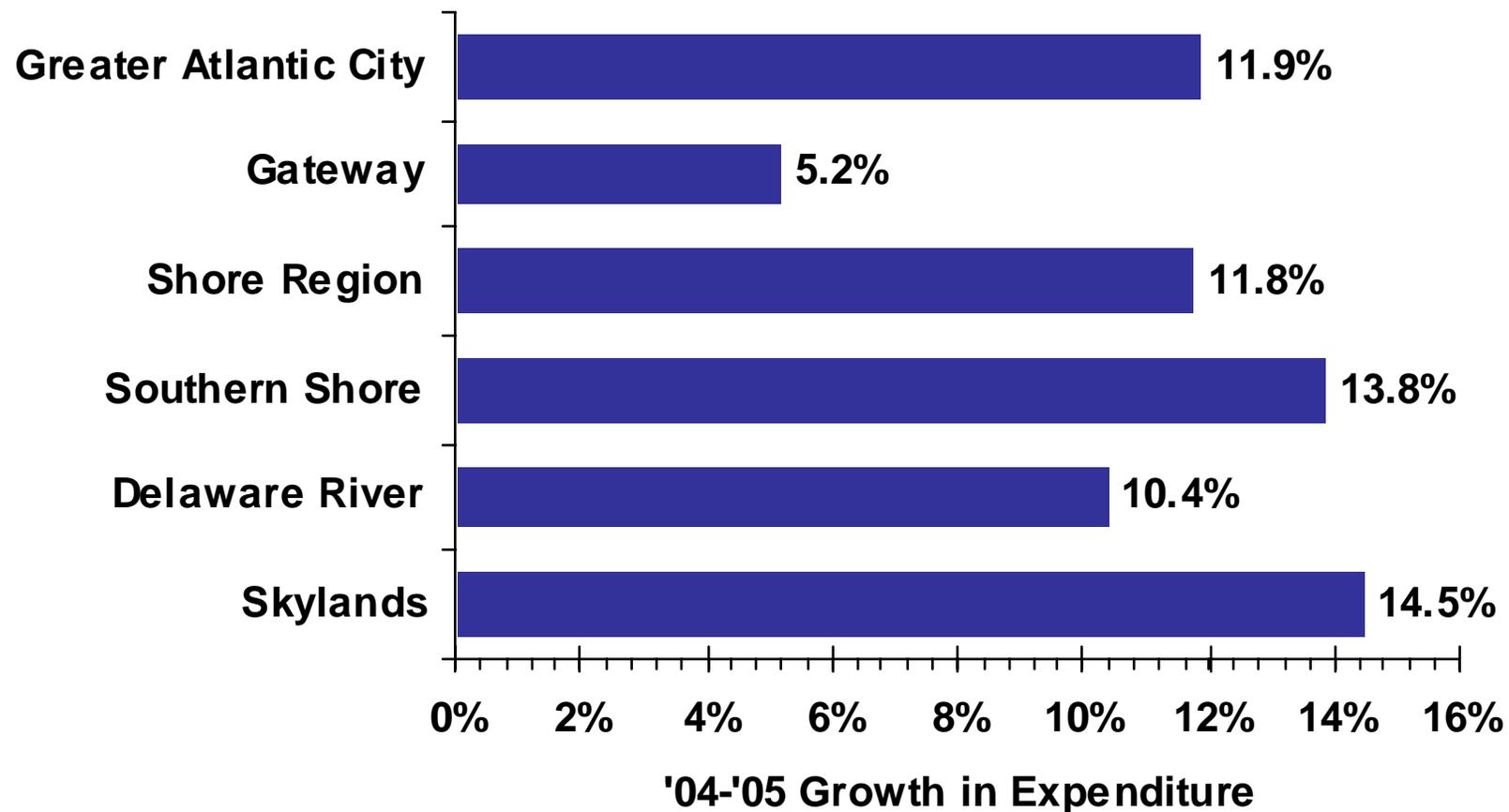
- Cumberland
- Cape May

Regional Distribution of Tourism

Gateway has the 2nd largest share of statewide tourism spending.
The Shore and Southern Shore regions are almost tied.



Regional Growth in Expenditure



Regional Share of Statewide Tourism

Regional Share of Expenditure Category

	Entertainment	Accommodation	Transportation	Food	Shopping	Total
Greater Atlantic City	4.9%	48.2%	1.3%	45.5%	45.5%	36.7%
Delaware River Region	16.8%	4.1%	14.2%	7.1%	7.1%	8.0%
Gateway Region	30.7%	11.0%	73.1%	11.6%	11.6%	20.9%
S. Shore Region	9.9%	19.8%	2.7%	13.0%	13.0%	13.7%
Shore Region	21.5%	12.0%	3.9%	19.0%	19.0%	15.1%
Skylands Region	16.1%	4.9%	4.8%	3.8%	3.8%	5.6%
Total	100%	100%	100%	100%	100%	100%

Greater Atlantic City's Entertainment share is low because most casino activity is classified in the accommodation category.

Regional Share of Statewide Tourism

Expenditure Category Share of Regional Tourism Spending

	Entertainment	Accommodation	Transportation	Food	Shopping	Total
Greater Atlantic City	1.4%	43.1%	0.4%	28.7%	26.3%	100%
Delaware River Region	22.5%	16.7%	21.5%	20.5%	18.8%	100%
Gateway Region	15.8%	17.2%	42.4%	12.9%	11.8%	100%
S. Shore Region	7.8%	47.6%	2.4%	22.0%	20.2%	100%
Shore Region	15.2%	26.0%	3.1%	29.1%	26.6%	100%
Skylands Region	30.8%	28.9%	10.3%	15.7%	14.4%	100%
Total	10.7%	32.8%	12.1%	23.1%	21.2%	100%

Greater Atlantic City's Entertainment share is low because most casino activity is classified in the accommodation category.

Tourism Expenditure by County

County Expenditure				
Counties	Tourism Expenditure (\$\$ in MM)	'04-'05 Growth	Share of County Economy	Rank
Atlantic	12,693.0	11.9%	49.1%	2
Cape May	4,639.7	13.8%	57.9%	1
Ocean	3,325.8	9.7%	11.8%	3
Essex	2,715.2	7.2%	3.1%	6
Monmouth	1,909.1	15.6%	3.4%	5
Bergen	1,608.0	1.0%	1.3%	8
Burlington	1,382.9	8.8%	2.6%	7
Middlesex	1,290.3	7.5%	1.2%	12
Morris	751.3	10.3%	1.0%	14
Hudson	640.7	5.4%	1.0%	15
Union	640.1	4.0%	0.9%	18
Somerset	598.7	21.3%	1.2%	11
Camden	581.6	9.1%	1.2%	10
Mercer	403.2	12.7%	0.9%	19
Sussex	379.4	13.5%	5.4%	4
Gloucester	346.8	16.2%	1.1%	13
Passaic	327.7	3.7%	0.7%	20
Hunterdon	106.6	12.6%	1.0%	17
Warren	103.0	14.1%	1.3%	9
Cumberland	86.4	16.9%	0.6%	21
Salem	56.1	15.4%	1.0%	16
Total *	34,585.4	10.7%	3.6%	

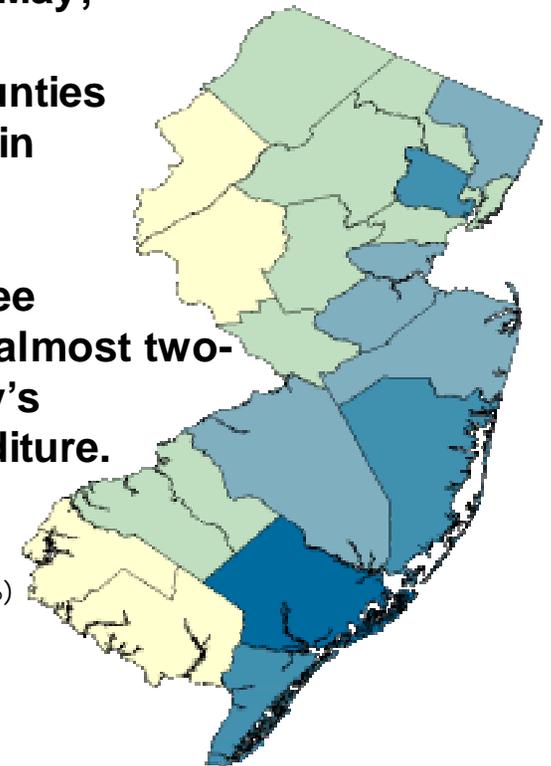
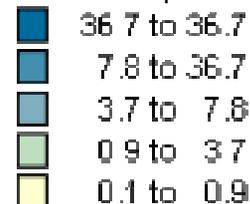
NJ Expenditure

% Share by County

Tourism is of greatest relative importance to Cape May, Atlantic and Ocean county. These 3 counties are also the leaders in terms of tourism expenditures.

Combined these three counties contribute almost two-thirds of New Jersey's total tourism expenditure.

County Share of State Tourism Expenditure (%)



* Tourism expenditures except investment

Expenditures by Industry – Atlantic and Gateway Regions

(million \$, 2005)	Entertainment	Accommodation	Transportation	Food	Shopping	Total
NJ Total	\$3,703	\$11,351	\$4,187	8,006	\$7,338	\$34,585
Greater Atlantic City	\$183	\$5,472	\$56	\$3,643	\$3,339	\$12,693
Gateway Region	\$1,137	\$1,243	\$3,061	\$929	\$851	\$7,222
Essex	\$236	\$276	\$1,820	\$200	\$183	\$2,715
Bergen	\$250	\$287	\$670	\$209	\$192	\$1,608
Middlesex	\$249	\$396	\$164	\$252	\$231	\$1,290
Union	\$163	\$93	\$194	\$100	\$91	\$640
Hudson	\$138	\$142	\$152	\$109	\$100	\$641
Passaic	\$102	\$50	\$62	\$59	\$54	\$328

Hotel casino
“win” earnings
are key

Ferry service to
Statue of Liberty
& Ellis Island

Newark airport
impact—also
supports hotels,
food & shopping

Expenditures by Industry – Shore and Southern Shore Regions

(million \$, 2005)	Entertainment	Accommodation	Transportation	Food	Shopping	Total
NJ Total	\$3,703	\$11,351	\$4,187	8,006	\$7,338	\$34,585
Shore Region	\$795	\$1,362	\$162	\$1,521	\$1,394	\$5,235
Ocean	\$398	\$985	\$72	\$976	\$894	\$3,326
Monmouth	\$396	\$377	\$91	\$545	\$500	\$1,909
S. Shore Region	\$367	\$2,252	\$112	\$1,041	\$954	\$4,726
Cape May	\$354	\$2,223	\$100	\$1,024	\$939	\$4,640
Cumberland	\$13	\$29	\$12	\$17	\$15	\$86

Entertainment gains from coast, golf, race track & more.

Seasonal 2nd home impact.

Expenditures by Industry – Delaware and Skylands Regions

(million \$, 2005)	Entertainment	Accommodation	Transp.	Food	Shopping	Total
NJ Total	\$3,703	\$11,351	\$4,187	8,006	\$7,338	\$34,585
Delaware River Region	\$623	\$462	\$595	\$568	\$521	\$2,770
Burlington	\$251	\$278	\$324	\$277	\$254	\$1,383
Camden	\$146	\$54	\$179	\$105	\$96	\$582
Mercer	\$95	\$85	\$42	\$94	\$87	\$403
Gloucester	\$115	\$34	\$47	\$78	\$72	\$347
Salem	\$16	\$10	\$3	\$14	\$13	\$56
Skylands Region	\$597	\$559	\$199	\$304	\$279	\$1,939
Morris	\$183	\$225	\$138	\$107	\$98	\$751
Somerset	\$148	\$226	\$36	\$98	\$90	\$599
Sussex	\$176	\$70	\$10	\$65	\$59	\$379
Hunterdon	\$50	\$16	\$8	\$17	\$16	\$107
Warren	\$41	\$22	\$7	\$17	\$15	\$103

Accommodation – Seasonal 2nd Home

Seasonal 2nd homes are an important part of accommodation expenditure for the counties along the coastline.

County	# of Seasonal 2nd Homes
Cape May	43,124
Ocean	33,200
Atlantic	11,700
Monmouth	7,726
Sussex	3,575
Total	99,325



How Important?

NJ TOURISM
ONE INDUSTRY. MANY BENEFITS.

Tourism related
spending of
\$36.3 billion



TOTAL

Gross State Product: \$25.7 billion

5.9% of GSP

Total Employment: 472,326 jobs

11.7% of Employment

CORE

Core GSP: \$18.9 billion

4.3% of GSP

Core Employment: 390,536 jobs

9.6% of Employment

3rd largest private sector employer



Visitor Forecast

Origin of Visitors by State, 2005

Origin States	Visitors (‘000)	Share of Total (percent)
New Jersey	31,540	43.7%
Pennsylvania	13,812	19.1%
New York	13,502	18.7%
Maryland	2,319	3.2%
Virginia	1,734	2.4%
Connecticut	1,322	1.8%
Florida	1,019	1.4%
North Carolina	982	1.4%
Massachusetts	910	1.3%
New Hampshire	556	0.8%
Other States	4,544	6.3%
Total	72,240	100.0%

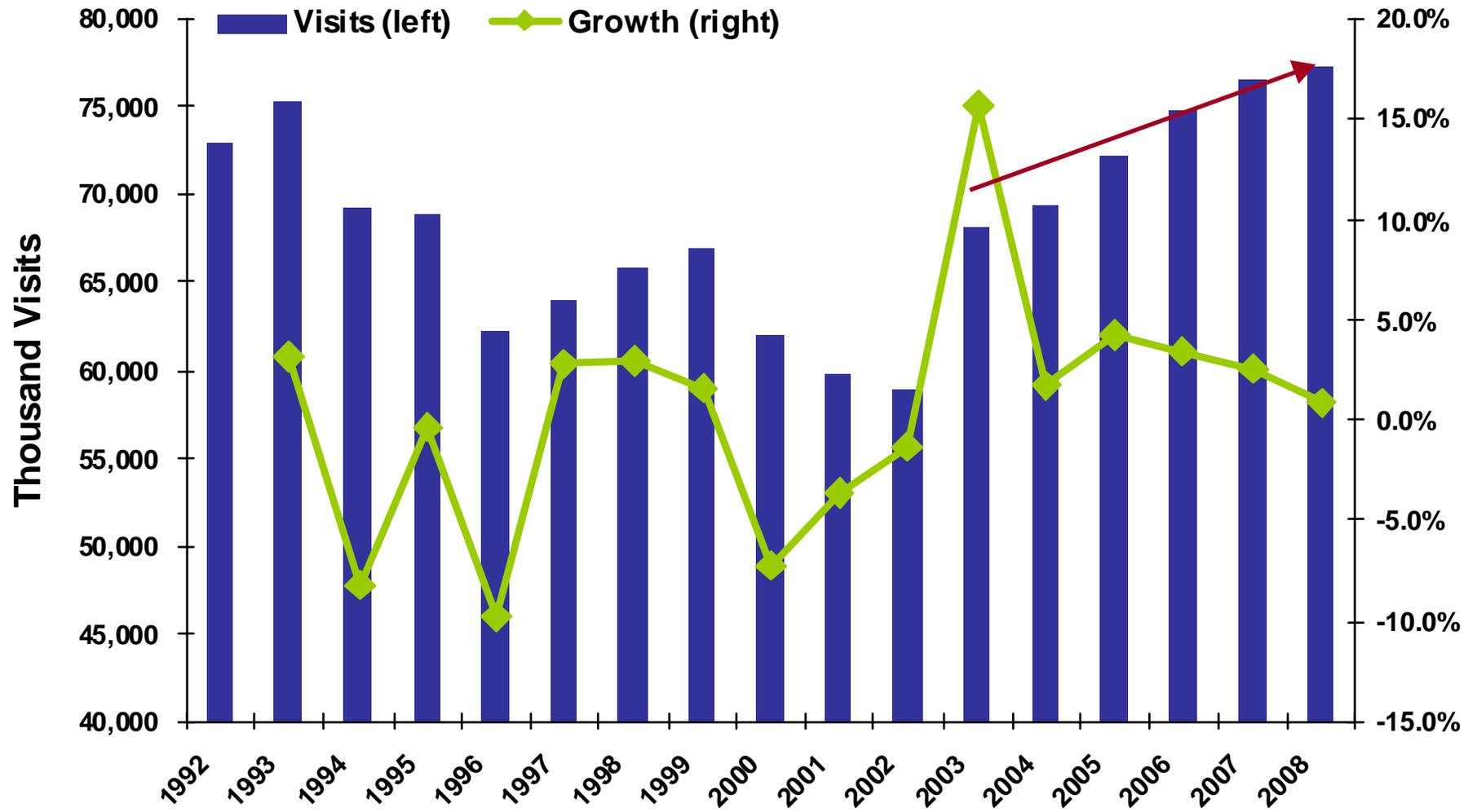
Origin of Visitors by MSA, 2005

Origin States	Visitors ('000)	Share of Total (percent)
Philadelphia MSA	16,066	22.2%
New York MSA	10,807	15.0%
Monmouth-Ocean MSA	6,574	9.1%
Newark MSA	6,090	8.4%
Nassau-Suffolk MSA	5,281	7.3%
Bergen-Passaic MSA	4,014	5.6%
Middlesex-Somerset-Hunderdon MSA	3,472	4.8%
Washington MSA	1,192	1.7%
Baltimore MSA	780	1.1%
Boston MSA	513	0.7%
Other Markets	17,451	24.2%
Total	72,240	100.0%

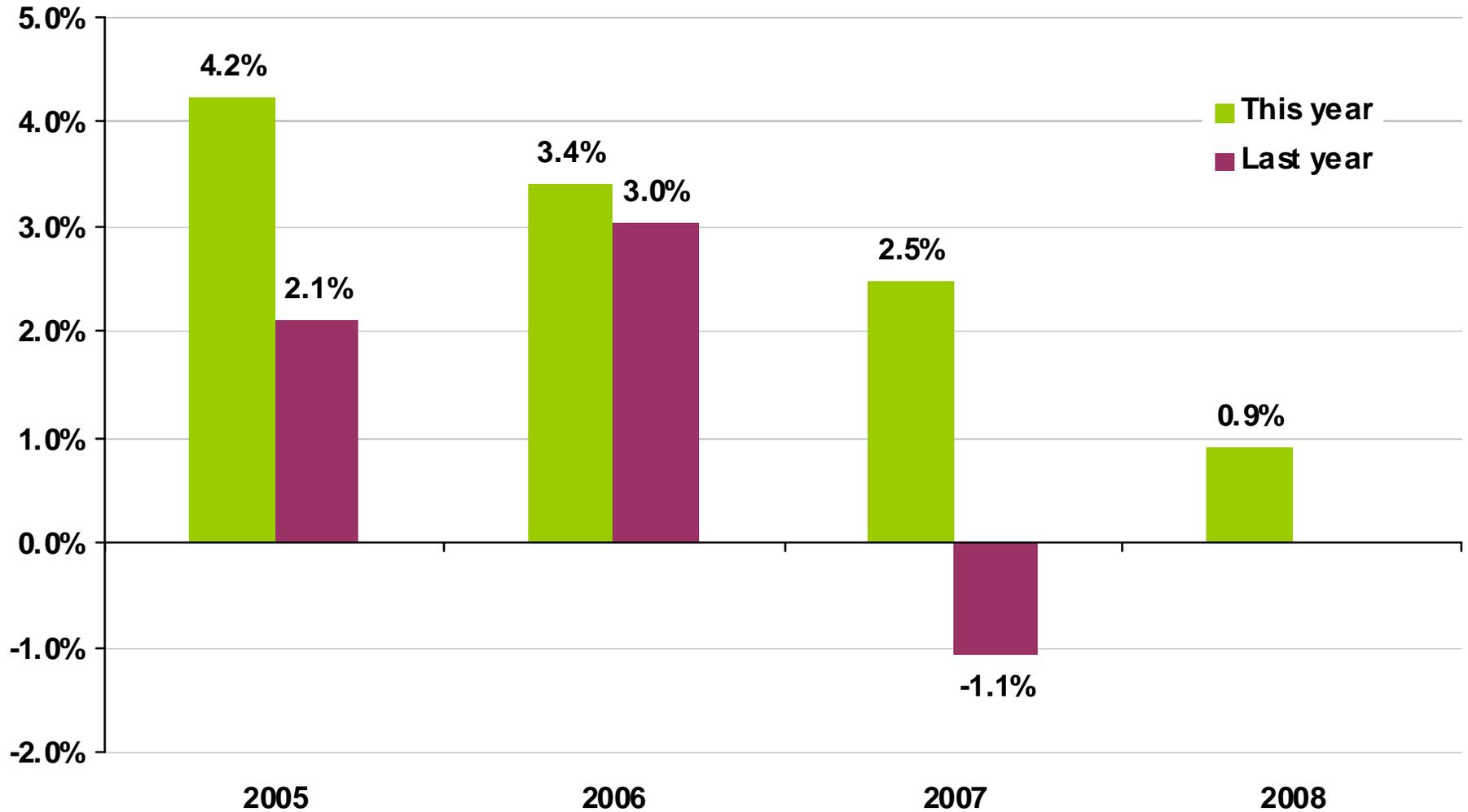
Origin of Visitors by DMA, 2005

Origin DMA	Visitors (‘000)	Share of Total (percent)
New York, DMA	36,149	50.0%
Philadelphia, DMA	18,826	26.1%
Washington, DMA	2,146	3.0%
Wilkes-Barre/Scranton, DMA	1,459	2.0%
Hartford/New Haven, DMA	1,026	1.4%
Baltimore, DMA	1,113	1.5%
Boston, DMA	513	0.7%
Harrisburg-Lancaster, DMA	990	1.4%
Springfield-Holyoke, DMA	332	0.5%
Pittsburgh, DMA	759	1.0%
Other Markets	8,929	12.4%

Visitation Outlook? New Jersey Continues to Ride High through 2008.



Little Change to the 2006 Outlook



Annual Forecasts by Type of Visit and Average Spending

	2003	2004	2005	2006	2007	2008
Total Visits	68,160	69,305	72,241	74,706	76,574	77,263
% change	15.6	1.7	4.2	3.4	2.5	0.9
Visits - Business	12,611	12,473	13,555	14,048	14,447	14,575
% change	0.7	-1.1	8.7	3.6	2.8	0.9
Visits - Leisure	55,549	56,832	58,685	60,658	62,127	62,688
% change	19.6	2.3	3.3	3.4	2.4	0.9
Visits - Single Day	41,410	39,383	39,655	41,017	42,012	42,427
% change	22.4	-4.9	0.7	3.4	2.4	1.0
Visits - Overnight	26,750	29,922	32,585	33,689	34,562	34,836
% change	6.5	11.9	8.9	3.4	2.6	0.8
Average Spending	108	115	114	115	115	115
% change	-1.2	6.3	-0.5	0.5	0.4	-0.3

Total visits will continue to expand through 2008, though at a decelerating rate. Business visits will gain share as the economy continues to expand and business travel rebounds.



Kenneth McGill

**Executive Managing Director
Travel & Tourism Consulting
ken.mcgill@globalinsight.com**